

## Message from the Acting State Executive Director

Brenda Archuleta, Acting State Executive Director, would like to inform producers of two new pandemic assistance programs that were recently announced, the Pandemic Livestock Indemnity Program (PLIP) and Pandemic Assistance for Timber Harvesters and Haulers (PATHH) Program.

PLIP provides assistance for losses of livestock and poultry depopulated from March 1, 2020, through December 26, 2020, due to insufficient processing access during the COVID-19 pandemic, and for the cost of depopulation and disposal. County Offices will accept PLIP applications (FSA-620) July 20, 2021, through September 17, 2021, from persons or legal entities that depopulated livestock or poultry from March 1, 2020, through December 26, 2020.

PATHH provides assistance for timber harvesting and timber hauling businesses impacted by the effects of COVID-19 during a portion of calendar year 2020. FSA is implementing PATHH as authorized by the Consolidated Appropriations Act, 2021 (Pub. L. 116-260). County Offices will accept 2020 PATHH applications (FSA-1118) July 22, 2021, through October 15, 2021, from persons and legal entities that experienced a decrease in gross revenue of 10 percent or more from January 1, 2020, through December 1, 2020, compared to gross revenue from January 1, 2019, through December 1, 2019.

#### **County Office Operations**

All Service Centers are currently operating at up to 75% office staffing and may accept visitors by appointment only. To make an appointment contact your local service center.

The FSA is and will continue to offer alternative methods in conducting business with the local FSA offices aside from our traditional methods of post mail and drop boxes. Alternative methods include telephonic and virtual appointments. In addition, FSA also accepts applications, signatures, documents through FAX, e-mail, OneSpan, and BOX.

To learn more about alternative methods of conducting business with FSA and Service Center status visit <u>Farmers.gov</u>.

#### **Office Closures**

Sep 6 All Offices Closed for Labor Day Holiday

#### **Upcoming Deadlines**

(Note that this list may not include every deadline. Check with your <u>local USDA Service</u> <u>Center</u> to learn about all available programs, and programs that have local or state deadlines.)

Aug 1 2021 Farm Transfer and Reconstitution Deadline for 2021 Crop Year - Requests received after Aug 1 will go into effect for crop year 2022.

Aug 6 **Continuous CRP Signup 55** Aug 16 **Acreage Reporting Deadline - Beans** Aug 20 **Grasslands CRP Signup 203** Sep 1 Noninsured Crop Disaster Assistance Program (NAP) – Application for Coverage for 2022 coverage deadline for the following crops: Sod Grass, Onions, Garlic, Floriculture, Aquaculture **Sep 17** Pandemic Livestock Indemnity Program (PLIP) Sep 30 NAP – Application for Coverage for 2022 Coverage Deadline for the following crops: Barley, Oats, Rye, Triticale, Wheat, and Canola **Oct 15** Pandemic Assistance for Timber Harvesters and Haulers Program (PATHH)

#### FSA Record Updates

Accurate records are key to ensuring producer benefits are calculated correctly. If you have purchased, sold, changed leases, etc. please let your recording FSA office know so records can be updated. In addition to customer and farm records, FSA is encouraging electronic payments. Many times, when a direct deposit record is not set up with FSA, it takes longer for benefiting producers to receive payments. When payments are not received, it takes more time as FSA has to go through the process of researching the payment, which in turn further delays in payment delivery to the recipient. Please contact your local FSA County Office to request form SF-3881.

#### General Participation Information

The FSA administers many programs all of which are subject to spot check, including applications that have received benefits. Although many programs require supporting documentation to support data entered on the application, prior to County Committee review and issuance of payment; some programs are self-certification, where documentation is not required upfront. Please be reminded that although some FSA programs administered with producer self-certification, they are still subject to spot check; thus, if a self-certified application is selected for spot check, the FSA customer will need to supply supporting documentation.

#### Freedom of Information Act (FOIA

The FSA offices receive numerous requests to obtain information regarding FSA records. Employees are not able to release information that contains PII information. Just a reminder, any requests that cannot be publicly obtained will need a FOIA request. Please submit all FOIA requests to <a href="mailto:SM.FP.FOIA@usda.gov">SM.FP.FOIA@usda.gov</a>.

#### Farm Loan Program Updates

New Mexico Farm Loans continues to process and mail FSA-2601 Debt Relief Offer Letters to eligible SDA direct loan borrowers under the American Rescue Plan Act (ARPA). Eligible borrowers include those who are one or more of the following: Black/African American, American Indian, Alaskan native, Hispanic/Latino, Asian, or Pacific Islander. The American Rescue Plan Act uses Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 as the definition of Socially Disadvantaged farmers and ranchers. Recipients of the offer letters should review the information and follow the instructions for submitting the required information back to the appropriate Farm Loan Office notated in the letter. If you have questions, please reach out to the contact detailed in your offer letter or call your local FSA office.

If you're uncertain of your demographic designation on file at FSA, you can contact <u>your local service center</u> to verify your classification on record. If an update or correction is needed, you may either fill out <u>USDA Form AD-2047</u> or work with your local service center to update your record, including race and ethnicity.

Recently, a federal judge issued a preliminary injunction that halts the United States Department of Agriculture (USDA) from making debt relief payments on eligible loans under Section 1005 of the American Rescue Plan Act. Learn more about this <u>preliminary injunction</u> or visit <u>www.farmers.gov/AmericanRescuePlan</u> to learn more about the debt payment plan in general which includes a Frequently Asked Questions section.

Borrowers should continue to submit paperwork (signed offer letters) and USDA will continue to accept these letters and process them. USDA will be prepared to provide the debt relief authorized by Congress at the earliest opportunity, depending on the ongoing litigation.

Through the preliminary injunction period, the Agency encourages borrowers to continue to make payments on their eligible loans. USDA is not taking any adverse actions on any eligible borrower who does not make payments on eligible Direct Loans. Alternately, you may continue to make payments; there is currently no consequence if you elect not to do so. For FSA Guaranteed Loans, borrowers should make all regularly scheduled payments as agreed to with your lender. Debt relief payments will still be calculated based on the amount owed on January 1, 2021. Direct borrowers will be reimbursed for any payments made after January 1, 2021.

FSA has suspended all foreclosure, debt collection and other adverse actions for direct loans for all borrowers during the pandemic and has encouraged lenders with guaranteed loans to follow suit. We expect no adverse actions.

### FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19

USDA's Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers with USDA farm loans who are affected by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive a letter with the details of the expanded Disaster Set-Aside authorities, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.

The set-aside payment's due date is moved to the final maturity date of the loan or extended up to twelve months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower's cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan applicants and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns. Customers participating in FSA's guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account, which provides access to the <u>farmers.gov</u> portal where producers can view USDA farm loan information and certain program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at <u>farmers.gov/sign-in</u>.

# Reminders for FSA Direct and Guaranteed Borrowers with Real Estate Security

Farm loan borrowers who have pledged real estate as security for their Farm Service Agency (FSA) direct or guaranteed loans are responsible for maintaining loan collateral. Borrowers must obtain prior consent or approval from FSA or the guaranteed lender for any transaction that affects real estate security. These transactions include, but are not limited to:

- Leases of any kind
- Easements of any kind
- Subordinations
- Partial releases
- Sales

Failure to meet or follow the requirements in the loan agreement, promissory note, and other security instruments could lead to nonmonetary default which could jeopardize your current and future loans.

It is critical that borrowers keep an open line of communication with their FSA loan staff or guaranteed lender when it comes to changes in their operation. For more information on borrower responsibilities, read <a href="Your FSA Farm Loan Compass">Your FSA Farm Loan Compass</a>.

### USDA Expands and Renews Conservation Reserve Program in Effort to Boost Enrollment and Address Climate Change

USDA will open enrollment in the Conservation Reserve Program (CRP) with higher payment rates, new incentives, and a more targeted focus on the program's role in climate change mitigation. Additionally, USDA is announcing investments in partnerships to increase climate-smart agriculture, including \$330 million in 85 Regional Conservation Partnership Program (RCPP) projects and \$25 million for On-Farm Conservation Innovation Trials.

#### **Conservation Reserve Program**

USDA's goal is to enroll up to 4 million new acres in CRP by raising rental payment rates and expanding the number of incentivized environmental practices allowed under the program. CRP is one of the world's largest voluntary conservation programs with a long track record of preserving topsoil, sequestering carbon, and reducing nitrogen runoff, as well providing healthy habitat for wildlife.

CRP is a powerful tool when it comes to climate mitigation, and acres currently enrolled in the program mitigate more than 12 million metric tons of carbon dioxide equivalent (CO2e). If USDA reaches its goal of enrolling an additional 4 million acres into the program, it will mitigate an additional 3 million metric tons of CO2 equivalent and prevent

90 million pounds of nitrogen and 33 million tons of sediment from running into our waterways each year.

#### **New Climate-Smart Practice Incentive**

To target the program on climate change mitigation, FSA is introducing a new **Climate-Smart Practice Incentive** for CRP general and continuous signups that aims to increase carbon sequestration and reduce greenhouse gas emissions. Climate-Smart CRP practices include establishment of trees and permanent grasses, development of wildlife habitat, and wetland restoration. The Climate-Smart Practice Incentive is annual, and the amount is based on the benefits of each practice type.

#### **Higher Rental Rates and New Incentives**

In 2021, CRP is capped at 25 million acres, and currently 20.8 million acres are enrolled. Furthermore, the cap will gradually increase to 27 million acres by 2023. To help increase producer interest and enrollment, FSA is:

- Adjusting soil rental rates. This enables additional flexibility for rate adjustments, including a possible increase in rates where appropriate.
- Increasing payments for Practice Incentives from 20% to 50%. This incentive
  for continuous CRP practices is based on the cost of establishment and is in
  addition to cost share payments.
- Increasing payments for water quality practices. Rates are increasing from 10% to 20% for certain water quality benefiting practices available through the CRP continuous signup, such as grassed waterways, riparian buffers, and filter strips.
- **Establishing a CRP Grassland minimum rental rate.** This benefits more than 1,300 counties with rates currently below the minimum.

To learn more about updates to CRP, download our "What's New with CRP" fact sheet.

### USDA Announces Dates for Conservation Reserve Program General and Grasslands Signups

The U.S. Department of Agriculture (USDA) has set a July 23, 2021, deadline for agricultural producers and landowners to apply for the Conservation Reserve Program (CRP) General signup 56. Additionally, USDA's Farm Service Agency (FSA) will accept applications for CRP Grasslands from July 12 to August 20. This year, USDA updated both signup options to provide greater incentives for producers and increase its conservation benefits, including reducing the impacts of climate change.

Both signups are competitive and will provide for annual rental payments for land devoted to conservation purposes.

"Bottom line, CRP now makes more financial sense for producers while also providing a bigger return on investment in terms of natural resource benefits. The General and Grasslands signups are part of a broader suite of tools available through CRP to integrate key conservation practices on our nation's working lands."

#### **General Signup**

Through CRP, producers and landowners establish long-term, resource-conserving plant species, such as approved grasses or trees, to control soil erosion, improve water quality, and enhance wildlife habitat on cropland. Lands enrolled in CRP also play a key role in

mitigating impacts from climate change, and FSA has added a new Climate-Smart Practice Incentive for practices that sequester carbon and reduce greenhouse gas emissions.

FSA is also adding a one-time "inflationary" adjustment for payment rates, as well as having more flexibility on adjusting soil rental rates.

FSA opened the <u>General Signup</u> in January 2021 and extended the original deadline to July 23, 2021, to enable producers to consider FSA's new improvements to the program.

# After Identifying Gaps in Previous Aid, USDA Announces 'Pandemic Assistance for Producers' to Distribute Resources More Equitably

Agriculture Secretary Tom Vilsack announced that USDA is establishing new programs and efforts to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19 market disruptions. The new initiative—**USDA Pandemic Assistance for Producers**—will reach a broader set of producers than in previous COVID-19 aid programs.

USDA is dedicating at least \$6 billion toward the new programs. The Department will also develop rules for new programs that will put a greater emphasis on outreach to small and socially disadvantaged producers, specialty crop and organic producers, timber harvesters, as well as provide support for the food supply chain and producers of renewable fuel, among others. Existing programs like the Coronavirus Food Assistance Program (CFAP) will fall within the new initiative and, where statutory authority allows, will be refined to better address the needs of producers.

**USDA Pandemic Assistance for Producers** was needed, said Vilsack, after a review of previous COVID-19 assistance programs targeting farmers identified a number of gaps and disparities in how assistance was distributed as well as inadequate outreach to underserved producers and smaller and medium operations.

USDA will reopen sign-up for CFAP 2 for at least 60 days beginning on April 5, 2021. The USDA Farm Service Agency (FSA) has committed at least \$2.5 million to improve outreach for CFAP 2 and will establish partnerships with organizations with strong connections to socially disadvantaged communities to ensure they are informed and aware of the application process.

#### **USDA Pandemic Assistance for Producers – 4 Parts**

#### Part 1: Investing \$6 Billion to Expand Help & Assistance to More Producers

USDA will dedicate at least \$6 billion to develop a number of new programs or modify existing proposals using discretionary funding from the Consolidated Appropriations Act and other coronavirus funding that went unspent by the previous administration.

#### Part 2: Adding \$500 Million of New Funding to Existing Programs

USDA expects to begin investing approximately \$500 million in expedited assistance through several existing programs this spring, with most by April 30.

#### Part 3: Carrying Out Formula Payments under CFAP 1, CFAP 2, CFAP AA

The Consolidated Appropriations Act, 2021, enacted December 2020 requires FSA to make certain payments to producers according to a mandated formula. USDA is now

expediting these provisions because there is no discretion involved in interpreting such directives, they are self-enacting.

- An increase in CFAP 1 payment rates for cattle. Cattle producers with approved CFAP 1 applications will automatically receive these payments beginning in April. Information on the additional payment rates for cattle can be found on <a href="mailto:farmers.gov/cfap">farmers.gov/cfap</a>. Eligible producers do not need to submit new applications, since payments are based on previously approved CFAP 1 application. USDA estimates additional payments of more than \$1.1 billion to more than 410,000 producers, according to the mandated formula.
- Additional CFAP assistance of \$20 per acre for producers of eligible crops identified as CFAP 2 flat-rate or price-trigger crops beginning in April. This includes alfalfa, corn, cotton, hemp, peanuts, rice, sorghum, soybeans, sugar beets and wheat, among other crops. FSA will automatically issue payments to eligible price trigger and flat-rate crop producers based on the eligible acres included on their CFAP 2 applications. Eligible producers do not need to submit a new CFAP 2 application. For a list of all eligible row-crops, visit farmers.gov/cfap. USDA estimates additional payments of more than \$4.5 billion to more than 560,000 producers, according to the mandated formula.
- USDA will finalize routine decisions and minor formula adjustments on applications and begin processing payments for certain applications filed as part of the CFAP Additional Assistance program in the following categories:
  - Applications filed for pullets and turfgrass sod;
  - A formula correction for row-crop producer applications to allow producers with a non-Actual Production History (APH) insurance policy to use 100% of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield in the calculation;
  - Sales commodity applications revised to include insurance indemnities,
     Noninsured Crop Disaster Assistance Program payments, and Wildfire and
     Hurricane Indemnity Program Plus payments, as required by statute; and
  - Additional payments for swine producers and contract growers under CFAP Additional Assistance remain on hold and are likely to require modifications to the regulation as part of the broader evaluation and future assistance; however, FSA will continue to accept applications from interested producers.

### Part 4: Reopening CFAP 2 Sign-Up to Improve Access & Outreach to Underserved Producers

As noted above, USDA will re-open sign-up for of CFAP 2 for at least 60 days beginning on April 5, 2021.

 FSA has committed at least \$2.5 million to establish partnerships and direct outreach efforts intended to improve outreach for CFAP 2 and will cooperate with grassroots organizations with strong connections to socially disadvantaged communities to ensure they are informed and aware of the application process.

Please visit <a href="www.farmers.gov">www.farmers.gov</a> for additional information and announcements under the USDA Pandemic Assistance to Producers initiative, which will help to expand and more equitably distribute financial assistance to producers and farming operations during the COVID-19 national emergency.

# Nominations Open for the 2021 County Committee Elections

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) encourages all farmers, ranchers, and FSA program participants to take part in the local County Committee election nomination process.

FSA's county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term.

County committees may have an appointed advisor to further represent the local interests of underserved farmers and ranchers. Underserved producers are beginning, women and other minority farmers and ranchers and landowners and/or operators who have limited resources.

All nomination forms for the 2021 election must be postmarked or received in the local USDA Service Center by Aug. 2, 2021. For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: *Eligibility to Vote and Hold Office as a COC Member* available online at: **fsa.usda.gov/elections.** 

# USDA Service Centers Provide Free, One-on-One Help for Farmers

At USDA, we are committed to helping farmers complete loan applications, environmental reviews, and other paperwork free of charge. One-on-one support is available at more than 2,300 USDA Service Centers nationwide. USDA's Farm Service Agency and Natural Resources Conservation Service staff are usually co-located at these Service Centers and can help guide farmers to the best USDA assistance based on their unique goals, whether it is loans, conservation programs, or insurance.

Service Center staff can guide farmers through the process of preparing and submitting required paperwork on their own, with no need to hire a paid preparer. Language translation service is available in all USDA Service Centers, so one-on-one assistance with a Service Center employee can be translated in real time for farmers requiring it. And while some program and loan applications do have an administrative fee for filing, there is never a charge for preparation services provided by USDA staff.

Farmers who work with the USDA Service Center can:

- Establish their farm by registering for a farm number, which is required for USDA programs and assistance.
- Learn how to meet conservation compliance provisions.
- Verify eligibility for USDA programs.
- Discuss their business and conservation goals.
- Create a conservation plan.
- Fill out and file loan and program applications.

We are committed to delivering USDA programs and services to America's farmers and ranchers while taking safety measures in response to COVID-19. We encourage you

# **USDA Offers Disaster Assistance for Producers Facing Inclement Weather**

Severe weather events create significant challenges and often result in catastrophic loss for agricultural producers. Despite every attempt to mitigate risk, your operation may suffer losses. USDA offers several programs to help with recovery.

#### **Risk Management**

For producers who have risk protection through <u>Federal Crop Insurance</u> or the <u>Noninsured Crop Disaster Assistance Program</u> (NAP), we want to remind you to report crop damage to your crop insurance agent or the local Farm Service Agency (FSA) office.

If you have crop insurance, contact your agency within 72 hours of discovering damage and be sure to follow up in writing within 15 days. If you have NAP coverage, file a Notice of Loss (also called Form CCC-576) within 15 days of loss becoming apparent, except for hand-harvested crops, which should be reported within 72 hours.

#### **Disaster Assistance**

USDA also offers disaster assistance programs, which is especially important to livestock, fruit and vegetable, specialty and perennial crop producers who have fewer <u>risk</u> <u>management options</u>.

First, the <u>Livestock Indemnity Program</u> (LIP) and <u>Emergency Assistance for Livestock</u>, <u>Honeybee and Farm-raised Fish Program</u> (ELAP) reimburses producers for a portion of the value of livestock, poultry and other animals that died as a result of a qualifying natural disaster event or for loss of grazing acres, feed and forage. And, the <u>Livestock Forage Disaster Program</u> (LFP) provides assistance to producers of grazed forage crop acres that have suffered crop loss due to a qualifying drought. Livestock producers suffering the impacts of drought can also request <u>Emergency Haying and Grazing</u> on Conservation Reserve Program (CRP) acres.

Next, the <u>Tree Assistance Program</u> (TAP) provides cost share assistance to rehabilitate and replant tree, vines or shrubs loss experienced by orchards and nurseries. This complements NAP or crop insurance coverage, which cover the crop but not the plants or trees in all cases.

For LIP and ELAP, you will need to file a Notice of Loss for livestock and grazing or feed losses within 30 days and honeybee losses within 15 days. For TAP, you will need to file a program application within 90 days.

#### **Documentation**

It's critical to keep accurate records to document all losses following this devastating cold weather event. Livestock producers are advised to document beginning livestock numbers by taking time and date-stamped video or pictures prior to after the loss.

Other common documentation options include:

- Purchase records
- Production records
- Vaccination records
- Bank or other loan documents

Third-party certification

#### **Other Programs**

The <u>Emergency Conservation Program</u> and <u>Emergency Forest Restoration Program</u> can assist landowners and forest stewards with financial and technical assistance to restore damaged farmland or forests.

Additionally, FSA offers a variety of loans available including emergency loans that are triggered by disaster declarations and operating loans that can assist producers with credit needs. You can use these loans to replace essential property, purchase inputs like livestock, equipment, feed and seed, or refinance farm-related debts, and other needs.

Meanwhile, USDA's Natural Resources Conservation Service (NRCS) provides financial resources through its <u>Environmental Quality Incentives Program</u> to help with immediate needs and long-term support to help recover from natural disasters and conserve water resources. Assistance may also be available for emergency animal mortality disposal from natural disasters and other causes.

#### **Additional Resources**

Additional details – including payment calculations – can be found on our <u>NAP</u>, <u>ELAP</u>, <u>LIP</u>, and <u>TAP</u> fact sheets. On farmers.gov, the <u>Disaster Assistance</u> <u>Discovery Tool</u>, <u>Disaster-at-a-Glance fact sheet</u>, and <u>Farm Loan Discovery Tool</u> can help you determine program or loan options.

While we never want to have to implement disaster programs, we are here to help. To file a Notice of Loss or to ask questions about available programs, contact your local USDA Service Center. All <u>USDA Service Centers</u> are open for business, including those that restrict in-person visits or require appointments because of the pandemic.

### **New Mexico Farm Service Agency**

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To find contact information for your local office go to www.fsa.usda.gov/NM